THE HON'BLE SRI JUSTICE BILAL NAZKI

AND

THE HON'BLE SRI JUSTICE NOOTY RAMAMOHANA RAO

WRIT PETITION NO.2468 OF 2005

Dated 09-04-2007

Between:

Sri Tamma Reddy Prasada Rao …Petitioner

And

Commercial Tax Officer and another …Respondents

THE HON'BLE SRI JUSTICE BILAL NAZKI

AND

THE HON'BLE SRI JUSTICE NOOTY RAMAMOHANA RAO

WRIT PETITION NO.2468 OF 2005

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O R D E R *(Per the Hon'ble Sri Justice Bilal Nazki):*

Heard learned counsel for the parties.

The petitioner gave surety for the assessee-the second respondent, for the year 1991-92. The first respondent-the Commercial Tax Officer demanded the petitioner to pay tax liability of the assessee for the assessment years 1994-95 and 1995-96. This Court has held in a judgment in ***New Kamal Bar & Café, Hyderabad Vs.State of A.P.&Others***[1] that a surety remains in force for a period of one year in which the guarantee is given. Admittedly, the petitioner had given surety/guarantee only for the year 1991-92. The petitioner should not be held responsible for the arrears of tax not paid by the assessee for the assessment years 1994-95 and 1995-96. Obviously, the notice, dated 08-10-2004, is without jurisdiction.

In this view of the matter, the writ petition is allowed and the impugned notice is set aside. No order as to costs.

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(Bilal Nazki,J)

Dated 9th April, 2007

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(Nooty Ramamohana Rao,J)

vrn

[1] 42 APSTJ 77